

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA)

JUDGE DER-YEGHAYAN

v.)

FILED

04CR0778

WITOLD OSINSKI,)

WACLAW RYGIEL,)

KRISTYNA DZIEWIT,)

MICHAEL PAWLOWSKI,)

WILLIAM KURCZODYNA,)

ZOFIA TURKIEWICZ,)

MARGARET FLORCZYK,)

SLAWOMIR SZCZEPANIAK,)

AGATA TOMAL MATYSIK,)

JERZY MATYSIK,)

ALEXANDER SIMONS,)

SERGUEI KOBETS,)

MIROSLAW GORECKI,)

KRZYZSTOF GORNIK)

ARKADIUSZ TRUCHALSKI,)

LUDWIK TRUCHALSKI,)

MICHAL SKOPEK,)

YEVGENIYA ZASLAVSKAYA, and)

SLAWOMIR KALOTA)

Violation: Title 18, United
States Code, Sections 1341

and 2

AUG 31 2004
Aug 31. 2004
MICHAEL W. DOBBINS
CLERK, U.S. DISTRICT COURT

MAGISTRATE JUDGE ASHMAN

DOCKETED
SEP - 8 2004

COUNT ONE

The SPECIAL AUGUST 2003-1 GRAND JURY charges:

1. At times material herein:

a. Defendant WITOLD OSINSKI owned and operated Auto City Rebuilders, located at 5027 West Fullerton Avenue, Chicago, Illinois. Auto City Rebuilders, formerly known as "Grand Auto Sales" and "Chicago Auto City," was in the business of repairing automobile damage.

b. Defendant MARGARET FLORCZYK was employed at Auto City Rebuilders, and is the sister-in-law of defendant WITOLD OSINSKI. Defendant ZOFIA TURKIEWICZ was the mother of defendant

MARGARET FLORCZYK.

c. Defendant ARKADIUSZ TRUCHALSKI was employed at Auto City Rebuilders.

d. Defendant MIROSLAW GORECKI was employed as a mechanic at Auto City Rebuilders.

e. Defendant WILLIAM KURCZODYNA was an insurance claims adjustor with American Family Insurance Company ("American Family Insurance", located in Schaumburg, Illinois. Defendant WILLIAM KURCZODYNA was responsible for processing any insurance claims filed for vehicles that were taken to body shops on the North Side of Chicago. Auto City Rebuilders was within defendant WILLIAM KURCZODYNA's territory.

f. The following insurance companies were authorized to do business in the State of Illinois and other states, and were engaged in the business of issuing various types of insurance policies, including automobile insurance policies:

- (1) Allstate Insurance Co.
- (2) American Family Insurance Co.
- (3) Country Casualty Insurance Co.
- (4) Farmers Insurance Co.
- (5) Geico Insurance Co.
- (6) Metropolitan Insurance Co.
- (7) Progressive Insurance Co.
- (8) Prudential Insurance Co.

(9) State Farm Insurance Co.

g. It was the practice of the aforementioned companies ("the Insurance Companies") to evaluate an application for insurance, and to rely on information supplied by the applicant in making the following decisions:

- (1) whether to insure a particular risk;
- (2) the amount of coverage to offer; and
- (3) the rate of insurance to charge.

h. After an automobile insurance policy was issued, it was the practice of the aforementioned insurance companies to reimburse valid claims for losses resulting from, among other things, property damage, personal injury, vandalism, fire, theft, and wage losses caused by the negligent operation of the insured automobile or by the negligence of uninsured motorists.

i. It was the practice of the Insurance Companies to evaluate a claim for benefits, and to rely on information supplied by the claimants in determining:

- (1) whether the event giving rise to the claim was within the risks covered by the policy; and
- (2) what benefits the claimant was entitled to receive.

2. From on or about March 31, 1997, and continuing through on or about June 11, 2001, at Chicago and elsewhere, in the Northern District of Illinois, Eastern Division,

WITOLD OSINSKI,
WACLAW RYGIEL,
KRYSTYNA DZIEWIT,
MICHAEL PAWLOWSKI,
WILLIAM KURCZODYNA,
ZOFIA TURKIEWICZ,
MARGARET FLORCZYK,
SLAWOMIR SZCZEPANIAK,
AGATA TOMAL MATYSIK,
JERZY MATYSIK,
ALEXANDER SIMONS,
SERGUEI KOBETS,
MIROSLAW GORECKI,
KRZYZSTOF GORNIK,
ARKADIUSZ TRUCHALSKI,
LUDWIK TRUCHALSKI,
MICHAL SKOPEK,
YEVGENIYA ZASLAVSKAYA, and
SLAWOMIR KALOTA

defendants herein, along with others known and unknown to the grand jury, devised and intended to devise a scheme to defraud and to obtain money and property and the intangible right of honest services by means of materially false and fraudulent pretenses, representations, and omissions. The scheme was in substance as follows:

The Scheme To Defraud

3. It was part of the scheme that defendants agreed to fake automobile accidents ("staged accidents") for the purposes of collecting money from the submission of fraudulent accident claims to the Insurance Companies. Defendants further agreed to submit fraudulent claims to the Insurance Companies for vehicle damages which they claimed to have incurred as a result of the "staged accidents", but which never actually occurred.

4. It was further part of the scheme that defendant WITOLD OSINSKI recruited his co-schemers to file false and fraudulent insurance claims for accidents which did not occur. The co-schemers agreed that WITOLD OSINSKI and Auto City Rebuilders would receive payment from the Insurance Companies on the insurance claims for alleged body work done to repair the vehicles. In return, defendant WITOLD OSINSKI paid the co-schemers at least \$500 and up to \$2,500 for each false and fraudulent insurance claim they filed.

5. It was further part of the scheme that defendant WITOLD OSINSKI supplied the co-schemers with the information they needed to file false accident reports and false insurance claims, including information about the other driver and the other vehicles involved in the staged accidents.

6. It was further part of the scheme that defendant WITOLD OSINSKI arranged "straw transactions" in which Grand Auto Sales, located at 5450 North Harlem Avenue in Chicago, or Auto City Rebuilders transferred title to vehicles to one or more of the co-schemers shortly before the filing of false insurance claims. The defendants who became straw purchasers of vehicles included KRYSTYNA DZIEWIT, MICHAEL PAWLOWSKI, MARGARET FLORCZYK, SLAWOMIR SZCEPANIAK, AGATA TOMAL MATYSIK, JERZY MATYSIK, SERGUEI KOBETS, KRZYZSTOF GORNIK, ALEXANDER SIMONS, SLAWOMIR KALOTA, and YEVGENIYA ZASLAVSKAYA.

7. It was further part of the scheme that defendant WITOLD OSINSKI paid defendant WILLIAM KURCZODYNA for processing insurance claims which defendant WILLIAM KURCZODYNA knew were false and fraudulent. On occasion, defendant WITOLD OSINSKI compensated defendant WILLIAM KURCZODYNA with cash. On other occasions, defendant WITOLD OSINSKI compensated WILLIAM KURCZODYNA with gifts and services, including the use of WITOLD OSINSKI's waverunner at no charge. At the time defendant KURCZODYNA accepted this cash, gifts and services from defendant OSINSKI, defendant KURCZODYNA owed a fiduciary duty to his employer, American Family Insurance.

1995 Black BMW

8. It was further part of the scheme that at the direction of defendant WITOLD OSINSKI, Individual BO and Individual MP filed false and fraudulent claims with American Family Insurance, in claim number 00561-127727. Specifically, Individual BO and Individual MP falsely and fraudulently claimed that on or about May 22, 1998, Individual BO, who was driving a black, 1995 BMW was involved in an accident with Individual MP. Individual BO and Individual MP knew at the time they filed these claims that no such accident occurred. To settle these false and fraudulent claims, American Family Insurance paid out \$29,985 in insurance proceeds.

9. It was further part of the scheme that at the direction

of defendant WITOLD OSINSKI, defendant KRZYZSTOF GORNIK and Individual SG filed false and fraudulent claims with American Family Insurance, in claim number 00561-135662. Specifically, defendant KRZYZSTOF GORNIK and Individual SG falsely and fraudently claimed that on or about December 7, 1998, defendant KRZYZSTOF GORNIK, who was allegedly driving this same black, 1995 BMW, was involved in an accident with Individual SG, who was allegedly driving a 1995 Oldsmobile Achieva. Defendant KRZYZSTOF GORNIK and Individual SG knew, at the time they filed their claims that no such accident occurred. To settle these false and fraudulent claims, American Family Insurance paid out \$32,298 in insurance proceeds.

10. It was further part of the scheme that at the direction of defendant WITOLD OSINKSI, the defendant MIROSLAW GORECKI and Individual RR filed false and fraudulent claims with American Family Insurance, in claim number 00581-094983. Specifically, on or about August 11, 1999, defendant MIROSLAW GORECKI and Individual RR falsely and fraudulently claimed that defendant MIROSLAW GORECKI, who was allegedly driving this same black, 1995 BMW, was involved in an accident with Individual RR, who was allegedly driving a red 1989 Merkur Scorpio. The defendant MIROSLAW GORECKI and Individual RR knew at the time they filed these claims that no such accident occurred. To settle these false and fraudulent claims, American Family Insurance paid out

\$29,633 in insurance proceeds.

1997 Black Land Rover

11. It was further part of the scheme that at the direction of defendant WITOLD OSINSKI, defendant SLAWOMIR SZCZEPANIAK and Individual BD filed false and fraudulent claims with American Family Insurance, in claim number 00561-152054. Specifically, on or about April 6, 2000, defendant SLAWOMIR SZCZEPANIAK and Individual BD falsely and fraudulently claimed that defendant SLAWOMIR SZCZEPANIAK, who was allegedly driving a black 1997 Land Rover, was involved in an accident with Individual BD, who was allegedly driving a maroon 1998 Mercedes E320. The defendant SLAWOMIR SZCZEPANIAK and Individual BD knew at the time they filed these claims that no such accident occurred. To settle these false and fraudulent claim, American Family Insurance paid out \$50,763 in insurance proceeds.

12. It was further part of the scheme that at the direction of defendant WITOLD OSINSKI, defendants SLAWOMIR SZCZEPANIAK and MICHAL SKOPEK filed false and fraudulent claims with American Family Insurance, in claim number 00561-158669. Specifically, on or about September 17, 2000, defendants SLAWOMIR SZCZEPANIAK and MICHAL SKOPEK falsely and fraudulently claimed that SLAWOMIR SZCZEPANIAK, who was allegedly driving his same black 1997 Land Rover, was involved in an accident with defendant MICHAL SKOPEK, who was allegedly driving a burgundy 1991 Nissan Maxima. The

defendants SLAWOMIR SZCZEPANIAK and MICHAL SKOPEK knew at the time they filed these claims that no such accident occurred. To settle these false and fraudulent claims, American Family Insurance paid out \$35,470 in insurance proceeds.

13. It was further part of the scheme that at the direction of defendant WITOLD OSINSKI, defendant SLAWOMIR SZCZEPANIAK and Individual RG filed false and fraudulent claims with Farmers Insurance, in claim number B8188542. Specifically, on or about November 14, 2000, defendant SLAWOMIR SZCZEPANIAK and Individual RR falsely and fraudulently claimed that defendant SLAWOMIR SZCZEPANIAK, who was allegedly driving his same black 1997 Land Rover, was involved in an accident with Individual RR, who was allegedly driving a 1993 Honda Civic. The defendant SLAWOMIR SZCZEPANIAK and Individual RR knew at the time they filed these claims that no such accident occurred. To settle these false and fraudulent claims, Farmers Insurance paid out \$30,701 in insurance proceeds.

1997 Black Mercedes S420 and 1996 Black Lexus LS

14. It was further part of the scheme that at the direction of defendant WITOLD OSINSKI, the defendant ALEXANDER SIMONS filed a false and fraudulent claim with American Family Insurance, in claim number 00581-120046. Specifically, on or about March 11, 2001, defendant ALEXANDER SIMONS falsely and fraudulently claimed that, while allegedly driving his same black 1997 Mercedes S420,

he was involved in an accident with defendant AGATA TOMAL MATYSIK, who was allegedly driving a black 1996 Lexus LS. The defendant ALEXANDER SIMONS knew at the time he file his claim that no such accident occurred. To settle this false and fraudulent claim, American Family Insurance paid out \$55,572 in insurance proceeds.

15. It was further part of the scheme that at the direction of defendant WITOLD OSINSKI, defendants ALEXANDER SIMONS and KRZYZSTOF GORNIK, under the alias KRZYZTOF MISZTAK, filed false and fraudulent claims with American Family Insurance in claim number 00581-103904. Specifically, or about May 18, 2000, defendants ALEXANDER SIMONS and KRYZSTOF GORNIK falsely and fraudulently claimed that defendant ALEXANDER SIMONS, who was allegedly driving his black 1997 Mercedes S420, was involved in an accident with defendant KRZYZSTOF GORNIK, who was allegedly driving a gray 1997 AUDI. The defendants ALEXANDER SIMONS and KRZYZSTOF GORNIK knew, at the time they filed their claims, and at all times thereafter, that no such accident occurred. To settle these false and fraudulent claims, American Family Insurance paid out \$53,603 in insurance proceeds.

16. It was further part of the scheme that at the direction of defendant WITOLD OSINSKI, defendant ALEXANDER SIMONS filed a false and fraudulent claim with American Family Insurance, in claim number 00581-124640. Specifically, on or about June 11,

2001, defendant ALEXANDER SIMONS filed a false and fraudulent insurance claim alleging that his same black 1997 Mercedes S420 was involved in an accident with Individual BG, who was allegedly driving a silver 1995 Mercedes SL500. Defendant ALEXANDER SIMONS knew at the time he filed his claim that no such accident occurred. To settle this false and fraudulent claim, American Family Insurance paid out \$20,812 in insurance proceeds.

1997 Green BMW 740

17. It was further part of the scheme that at the direction of defendant WITOLD OSINSKI, defendants JERZY MATYSIK and ZOFIA TURKIEWICZ, under the alias EMILIA OGAREK, filed false and fraudulent claims with American Family Insurance, in claim number 00581-114143. Specifically, on or about November 14, 2000, defendants JERZY MATYSIK and ZOFIA TURKIEWICZ falsely and fraudulently claimed that defendant JERZY MATYSIK, who was allegedly driving his green 1997 BMW 740, was involved in an accident with defendant ZOFIA TURKIEWICZ, who was allegedly driving a gold 1999 Lexus GS. Defendants JERZY MATYSIK and ZOFIA TURKIEWICZ knew at the time they filed their claims that no such accident occurred. To settle these false and fraudulent claims, American Family Insurance paid out \$46,534 in insurance proceeds.

18. It was further part of the scheme at the direction of defendant WITOLD OSINSKI, defendants KRZYZSTOF GORNIK and JERZY MATYSIK filed false and fraudulent insurance claims with

Metropolitan Insurance, in claim number RMA25721. Specifically, on or about May 9, 2001, defendants KRZYZSTOF GORNIK and JERZY MATYSIK falsely and fraudulently claimed that defendant KRZYZSTOF GORNIK, who was allegedly driving a gray 1997 Audi A6, was involved in an accident with defendant JERZY MATYSIK, who was allegedly driving his same green 1997 BMW 740. Defendants KRZYZSTOF GORNIK and JERZY MATYSIK knew at the time they filed their claims that no such accident occurred. To settle these false and fraudulent claims, Metropolitan Insurance paid out \$32,335 in insurance proceeds.

1997 Gold Lexus

19. It was further part of the scheme that, at the direction of defendant WITOLD OSINSKI, defendants WACLAW RYGIEL and SLAWOMIR KALOTA filed false and fraudulent insurance claims with Country Mutual Insurance, in claim number 104014534. Specifically, on or about July 29, 1999, defendants WACLAW RYGIEL and SLAWOMIR KALOTA falsely and fraudulently claimed that defendant WACLAW RYGIEL, who was allegedly driving his gold 1997 Lexus LS, was involved in an accident with defendant SLAWOMIR KALOTA, who was allegedly driving a 1989 Ford Aerostar. Defendants WACLAW RYGIEL and SLAWOMIR KALOTA knew at the time they filed their claims that no such accident occurred. To settle these false and fraudulent claims, Country Mutual Insurance paid out \$25,744 in insurance proceeds.

20. It was further part of the scheme that at the direction of defendant WITOLD OSINSKI, defendants WACLAW RYGIEL and KRYSTYNA DZIEWIT filed false and fraudulent insurance claims with American Family Insurance in claim number 00561-148036. Specifically, on or about November 18, 1999, defendants WACLAW RYGIEL and KRYSTYNA DZIEWIT falsely and fraudulently claimed that defendant WACLAW RYGIEL, who was allegedly driving his same gold 1997 Lexus LS, was involved in an accident with defendant KRYSTYNA DZIEWIT, who was allegedly driving a blue 1997 BMW. The defendants WACLAW RYGIEL and KRYSTYNA DZIEWIT knew at the time they filed their claims that no such accident occurred. To settle these false and fraudulent claims, American Family Insurance paid out \$55,914 in insurance proceeds.

21. It was further part of the scheme that at the direction of defendant WITOLD OSINSKI, Defendant WACLAW RYGIEL and Individual AT filed their false insurance claims with Geico Insurance, in claim number 0129362390101012. Specifically, on or about May 7 2001, defendant WACLAW RYGIEL and Individual AT falsely and fraudulently claimed that defendant WACLAW RYGIEL, who was allegedly driving his same gold 1997 Lexus LS, was involved in an accident with Individual AT, who was allegedly driving a 1998 Mercedes. Defendants WACLAW RYGIEL and Individual AT knew at the time they filed their claims that no such accident occurred. To settle these false and fraudulent claims, Geico

Insurance paid out \$37,142 in insurance proceeds.

2000 Black Lincoln LS

22. It was further part of the scheme that at the direction of defendant WITOLD OSINSKI, defendants MICHAEL PAWLOWSKI and MARGARET FLORCZYK filed their false insurance claims with American Family Insurance, in claim number 00561-153154. Specifically, on or about May 5, 2000, defendants MICHAEL PAWLOWSKI and MARGARET FLORCZYK falsely and fraudulently claimed that defendant MICHAEL PAWLOWSKI, who was allegedly driving his 2000 black Lincoln LS, was involved in an accident with defendant MARGARET FLORCZYK, who was allegedly driving a black 1996 Jaguar. Defendants MICHAEL PAWLOWSKI and MARGARET FLORCZYK knew at the time they filed their claims that no such accident occurred. To settle these false and fraudulent claims, American Family Insurance paid out \$46,106 in insurance proceeds.

23. It was further part of the scheme that at the direction of defendant WITOLD OSINSKI, defendants MICHAEL PAWLOWSKI and SERGUEI KOBETS filed false and fraudulent insurance claims with Farmers Insurance in claim number B8180989. Specifically, on or about June 7, 2000, defendants MICHAEL PAWLOWSKI and SERGUEI KOBETS falsely and fraudulently claimed that defendant MICHAEL PAWLOWSKI, who was allegedly driving his same 2000 black Lincoln LS, was involved in an accident with defendant SERGUEI KOBETS, who was allegedly driving a 1997 Lexus. Defendants MICHAEL

PAWLOWSKI and SERGUEI KOBETS knew at the time they filed their claims that no such accident occurred. To settle these false and fraudulent claims, Farmers Insurance paid out \$49,072 in insurance proceeds.

24. It was further part of the scheme that at the direction of defendant WITOLD OSINSKI, defendant MICHAEL PAWLOWSKI and Individual MJ filed false and fraudulent insurance claims with Progressive Insurance, in claim number 005056998. Specifically, on or about July 19, 2000, defendant MICHAEL PAWLOWSKI and Individual MJ falsely and fraudulently claimed that defendant MICHAEL PAWLOWSKI, who was allegedly driving his same 2000 black Lincoln LS, was involved in an accident with Individual MJ, who was allegedly driving a 1997 Mercedes E300. Defendant MICHAEL PAWLOWSKI and Individual MJ knew at the time they filed their claims that no such accident occurred. To settle these false and fraudulent claims, Progressive Insurance paid out \$36,360 in insurance proceeds.

1996 Black Jaguar

25. It was further part of the scheme that at the direction of defendant WITOLD OSINSKI, defendant MARGARET FLORCZYK and Individual BK filed false and fraudulent insurance claims with Progressive Insurance in claim number 004280860. Specifically, on or about February 17, 2000, defendant MARGARET FLORCZYK and Individual BK falsely and fraudulently claimed that defendant

MARGARET FLORCZYK, who was allegedly driving her black 1996 Jaguar, was involved with an accident with Individual BK, who was allegedly driving a 1996 BMW 740. Defendant MARGARET FLORCZYK and Individual BK knew at the time they filed their claims. To settle these false and fraudulent claims, Progressive Insurance paid out \$49,547 in insurance proceeds.

26. It was further part of the scheme that at the direction of defendant WITOLD OSINSKI, defendants MARGARET FLORCZYK and YEVGENIYA ZASLAVSKAYA filed false and fraudulent insurance claims with American Family Insurance in claim number 00561-165301. Specifically, on or about February 13, 2001, defendants MARGARET FLORCZYK and YEVGENIYA ZASLAVSKAYA falsely and fraudulently claimed that defendant MARGARET FLORCZYK, who was allegedly driving her same black 1996 Jaguar, was involved in an accident with defendant YEVGENIYA ZASLAVSKAYA, who was allegedly driving a beige 1998 Mercedes E430. Defendants MARGARET FLORCZYK and YEVGENIYA ZASLAVSKAYA knew at the time they filed their claims that no such accident occurred. To settle these false and fraudulent claims, American Family Insurance paid out \$41,406 in insurance proceeds.

1998 Beige Mercedes E430

27. It was further part of the scheme that at the direction of defendant WITOLD OSINSKI, defendants YEVGENIYA ZASLAVSKAYA and AGATA TOMAL MATYSIK filed false and fraudulent insurance claims

with Farmers Insurance in claim number B8187640. Specifically, on or about October 26, 2000, defendants YEVGENIYA ZASLAVSKAYA and AGATA TOMAL MATYSIK falsely and fraudulently claimed that defendant YEVGENIYA ZASLAVSKAYA, who was allegedly driving her beige 1998 Mercedes E430, was involved in an accident with defendant AGATA TOMAL MATYSIK, who was allegedly driving a 1996 Lexus LS. Defendants YEVGENIYA ZASLAVSKAYA and AGATA TOMAL MATYSIK knew at the time they filed their claims that no such accident occurred. To settle these false and fraudulent claims, Farmers Insurance paid out \$49,313 in insurance proceeds.

1996 Silver BMW 740

28. It was further part of the scheme that at the direction of defendant WITOLD OSINSKI, defendant ARKADIUSZ TRUCHALSKI and Individual MJ filed false and fraudulent insurance claims with American Family Insurance, in claim number 00581-102479. Specifically, on or about April 5, 2000, defendant ARKADIUSZ TRUCHALSKI and Individual MJ falsely and fraudulently claimed that defendant ARKADIUSZ TRUCHALSKI, who was allegedly driving a silver 1996 BMW 740, was involved in an accident with Individual MJ, who was allegedly driving a 1997 Mercedes E300. Defendant ARKADIUSZ TRUCHALSKI and Individual MJ knew at the time they filed their claims that no such accident occurred. To settle these false and fraudulent claims, American Family Insurance paid out \$54,190 in insurance proceeds.

29. It was further part of the scheme that at the direction of defendant WITOLD OSINSKI, defendant ARKADIUSZ TRUCHALSKI filed a false and fraudulent insurance claim with American Family Insurance, in claim number 00561-111836. Specifically, on or about September 20, 2000, defendant ARKADIUSZ TRUCHALSKI falsely and fraudulently claimed that, while allegedly driving his same silver 1996 BMW 740, he was involved in an accident with defendant AGATA TOMAL MATYSIK, who was allegedly driving a 1996 black Lexus LS. Defendant ARKADIUSZ TRUCHALSKI knew at the time he filed his claim that no such accident occurred. To settle this false and fraudulent claim, American Family Insurance paid out \$48,312 in insurance proceeds.

30. It was further part of the scheme that at the direction of WITOLD OSINSKI, defendants LUDWIK TRUCHALSKI and SERGUEI KOBETS filed false and fraudulent insurance claims with American Family Insurance, in claim number 00581-099204. Specifically, on or about December 19, 1999, defendants LUDWIK TRUCHALSKI and SERGUEI KOBETS falsely and fraudulently claimed that defendant LUDWIK TRUCHALSKI, who was allegedly driving a green 1993 Honda Accord, was involved in an accident with defendant SERGUEI KOBETS, who was allegedly driving a 1997 Lexus LS 400. Defendants LUDWIK TRUCHALSKI and SERGUEI KOBETS knew at the time they filed their claims that no such accident occurred. To settle these false and fraudulent claims, American Family

Insurance paid out \$38,968 in insurance proceeds.

31. It was further part of the scheme that at the direction of defendant WITOLD OSINSKI, ZOFIA TURKIEWICZ and Individual AS filed false and fraudulent insurance claims with Allstate Insurance in claim number 1015716382. Specifically, on or about May 22, 2001, defendant ZOFIA TURKIEWICZ and Individual AS falsely and fraudulently claimed that defendant ZOFIA TURKIEWICZ, who was allegedly driving a gold 1999 Lexus, was involved in an accident with Individual AS, who was allegedly driving a black 1999 Mercedes Benz. The defendant ZOFIA TURKIEWICZ and Individual AS knew at the time they filed their claims that no such accident occurred. To settle these false and fraudulent claims, Allstate Insurance paid out \$66,694 in insurance proceeds.

32. It was further part of the scheme that the defendants did misrepresent, conceal and hide, and cause to be misrepresented, concealed and hidden the true purposes of the acts done in furtherance of the scheme.

33. As a result of the defendants' conduct, the Insurance Companies suffered a loss of approximately \$1,016,486 paid out on false and fraudulent insurance claims.

34. On or about July 18, 2000, in the Northern District of Illinois, Eastern Division, and elsewhere

WITOLD OSINSKI,
WILLIAM KURCZODYNA,
MIROSLAW GORECKI,

defendants herein, for the purpose of executing the aforesaid scheme and attempting to do so, knowingly caused to be placed in an authorized depository for mail matter, to be sent and delivered by the United States Postal Service according to the directions thereon, a \$780 check from American Family Insurance payable to Auto City Rebuilders, addressed to 5027 West Fullerton Avenue, Chicago, Illinois, which check was labeled "rental car reimbursement." This check was in partial satisfaction of American Family Insurance claim 00581-094983.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT TWO

The SPECIAL AUGUST 2003-1 GRAND JURY further charges:

1. The Grand Jury realleges and incorporates by reference paragraphs 1 through 33 of Count One of this indictment.

2. On or about July 17, 2000, in the Northern District of Illinois, Eastern Division,

WITOLD OSINSKI,
WILLIAM KURCZODYNA, and
SLAWOMIR SZCZEPANIAK

defendants herein, for the purpose of executing the aforesaid scheme and attempting to do so, knowingly caused to be placed in an authorized depository for mail matter, to be sent and delivered by the United States Postal Service,, according to the directions thereon, a \$700 check from American Family Insurance payable to Auto City Rebuilders, addressed to 5027 West Fullerton Avenue, Chicago, Illinois, which check was labeled "property damage loss of 4/6/2000." This check was in partial satisfaction of American Family Insurance claim 00561-152054.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT THREE

The SPECIAL AUGUST 2003-1 GRAND JURY further charges:

1. The Grand Jury realleges and incorporates by reference paragraphs 1 through 33 of Count One of this indictment.

2. On or about July 19, 2000, in the Northern District of Illinois, Eastern Division,

WITOLD OSINSKI,
WILLIAM KURCZODYNA, and
ARKADIUSZ TRUCHALSKI

defendants herein, for the purpose of executing the aforesaid scheme and attempting to do so, knowingly caused to be placed in an authorized depository for mail matter, to be sent and delivered by the United States Postal Service, according to the directions thereon, a \$1,600 check from American Family Insurance payable to Auto City Rebuilders, addressed to 5027 West Fullerton Avenue, Chicago, Illinois, which check was labeled "payment for rental of Janicka and Truchalski." This check was in partial satisfaction of American Family Insurance claim 00581-102479.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT FOUR

The SPECIAL AUGUST 2003-1 GRAND JURY further charges:

1. The Grand Jury realleges and incorporates by reference paragraphs 1 through 33 of Count One of this indictment.

2. On or about December 6, 2000, in the Northern District of Illinois, Eastern Division,

WITOLD OSINSKI,
WILLIAM KURCZODYNA,
SLAWOMIR SZCZEPANIAK, and
MICHAL SKOPEK

defendants herein, for the purpose of executing the aforesaid scheme and attempting to do so, knowingly caused to be placed in an authorized depository for mail matter, to be sent and delivered by the United States Postal Service, according to the directions thereon, a \$5,831 check from American Family Insurance payable to MICHAL SKOPEK, addressed to 1019 North Boxwood Dr., Mount Prospect, Illinois, which check was in partial satisfaction of American Family Insurance claim 00561-158669.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT FIVE

The SPECIAL AUGUST 2003-1 GRAND JURY further charges:

1. The Grand Jury realleges and incorporates by reference paragraphs 1 through 33 of Count One of this indictment.
2. On or about November 29, 2000, in the Northern District of Illinois, Eastern Division,

WITOLD OSINSKI,
SLAWOMIR SZCZEPANIAK

defendants herein, for the purpose of executing the aforesaid scheme and attempting to do so, knowingly caused to be placed in an authorized depository for mail matter, to be sent and delivered by the United States Postal Service, according to the directions thereon, a \$23,809.92 check from Farmers Insurance payable to SLAWOMIR SZCZEPANIAK and Chicago Auto City, addressed to 5027 West Fullerton Avenue, Chicago, Illinois. This check was in partial satisfaction of Farmers Insurance claim B8188542.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT SIX

The SPECIAL AUGUST 2003-1 GRAND JURY further charges:

1. The Grand Jury realleges and incorporates by reference paragraphs 1 through 33 of Count One of this indictment.

2. On or about May 22, 2000, in the Northern District of Illinois, Eastern Division,

WITOLD OSINSKI,
WILLIAM KURCZODYNA,
KRZYZSTOF GORNIK, and
ALEXANDER SIMONS,

defendants herein, for the purpose of executing the aforesaid scheme and attempting to do so, knowingly caused to be placed in an authorized depository for mail matter, to be sent and delivered by the United States Postal Service, according to the directions thereon, a letter from American Family Insurance to ALEXANDER SIMONS, addressed to 164 Saratoga Court, Vernon Hills, Illinois, which letter enclosed forms for defendant ALEXANDER SIMONS's signature This letter concerned American Family Insurance claim 00581-103904.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT SEVEN

The SPECIAL AUGUST 2003-1 GRAND JURY further charges:

1. The Grand Jury realleges and incorporates by reference paragraphs 1 through 33 of Count One of this indictment.
2. On or about April 25, 2001, in the Northern District of Illinois, Eastern Division,

WITOLD OSINSKI,
WILLIAM KURCZODYNA,
ALEXANDER SIMONS, and

defendants herein, for the purpose of executing the aforesaid scheme and attempting to do so, knowingly caused to be placed in an authorized depository for mail matter, to be sent and delivered by the United States Postal Service, according to the directions thereon, a \$750 check from American Family Insurance payable to Auto City Rebuilders, addressed to 5027 West Fullerton Avenue, Chicago, Illinois, which check was labeled "for car rental to Alexander Simons - maximum coverage." This check was in partial satisfaction of American Family Insurance claim 00581-120046.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT EIGHT

The SPECIAL AUGUST 2003-1 GRAND JURY further charges:

1. The Grand Jury realleges and incorporates by reference paragraphs 1 through 33 of Count One of this indictment.
2. On or about November 20, 2000, in the Northern District of Illinois, Eastern Division,

WITOLD OSINSKI,
YEVGENIYA ZASLAVSKAYA, and
AGATA TOMAL MATYSIK

defendants herein, for the purpose of executing the aforesaid scheme and attempting to do so, knowingly caused to be placed in an authorized depository for mail matter, to be sent and delivered by the United States Postal Service, according to the directions thereon, a \$20,248.98 check from Farmers Insurance payable to YEVGENIYA ZASLAVSKAYA and Auto City Rebuilders, addressed to 5027 West Fullerton Avenue, Chicago, Illinois. This check was in partial satisfaction of Farmers Insurance claim B8187640.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT NINE

The SPECIAL AUGUST 2003-1 GRAND JURY further charges:

1. The Grand Jury realleges and incorporates by reference paragraphs 1 through 33 of Count One of this indictment.

2. On or about October 12, 2001, in the Northern District of Illinois, Eastern Division,

WITOLD OSINSKI,
WILLIAM KURCZODYNA, and
ALEXANDER SIMONS

defendants herein, for the purpose of executing the aforesaid scheme and attempting to do so, knowingly caused to be placed in an authorized depository for mail matter, to be sent and delivered by the United States Postal Service, according to the directions thereon, a letter from American Family Insurance to Bob Grundwald, addressed to 3875 Greenacher Drive, Chicago, Illinois, which letter inquired about damage to Bob Grundwald's vehicle from an accident on June 11, 2001. This concerned American Family Insurance claim 00581-124640.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT TEN

The AUGUST 2003-1 GRAND JURY further charges:

1. The Grand Jury realleges and incorporates by reference paragraphs 1 through 33 of Count One of this indictment.

2. On or about September 14, 1999, in the Northern District of Illinois, Eastern Division,

WITOLD OSINSKI,
WACLAW RYGIEL, and
SLAWOMIR KALOTA

defendants herein, for the purpose of executing the aforesaid scheme and attempting to do so, knowingly caused to be placed in an authorized depository for mail matter, to be sent and delivered by the United States Postal Service, according to the directions thereon, a letter from Country Casualty Insurance to SLAWOMIR KALOTA, addressed to 363 Vita Dr., Wheeling, Illinois. This letter discussed the conclusion of claim 104014534;

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT ELEVEN

The SPECIAL AUGUST 2003-1 GRAND JURY further charges:

1. The Grand Jury realleges and incorporates by reference paragraphs 1 through 33 of Count One of this indictment.

2. On or about November 22, 1999, in the Northern District of Illinois, Eastern Division,

WITOLD OSINSKI,
WILLIAM KURCZODYNA,
KRYSTYNA DZIEWIT, and
WACLAW RYGIEL

defendants herein, for the purpose of executing the aforesaid scheme and attempting to do so, knowingly caused to be placed in an authorized depository for mail matter, to be sent and delivered by the United States Postal Service, according to the directions thereon, a letter from American Family Insurance to KRYSTYNA DZIEWIT, addressed to 2826 North Mason Avenue, Chicago, Illinois, which letter enclosed a statement of claim form for KRYSTYNA DZIEWIT's signature. This letter concerned American Family Insurance claim 00561-148036;

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT TWELVE

The SPECIAL AUGUST 2003-1 GRAND JURY further charges:

1. The Grand Jury realleges and incorporates by reference paragraphs 1 through 33 of Count One of this indictment.

2. On or about May 18, 2000, in the Northern District of Illinois, Eastern Division,

WITOLD OSINSKI,
WILLIAM KURCZODYNA,
MARGARET FLORCZYK, and
MICHAEL PAWLOWSKI

defendants herein, for the purpose of executing the aforesaid scheme and attempting to do so, knowingly caused to be placed in an authorized depository for mail matter, to be sent and delivered by the United States Postal Service, according to the directions thereon, a check in the amount of \$20,520.64 from American Family Insurance and made payable to Michael Ponlowski, aka MICHAEL PAWLOWSKI, addressed to 3422 North Laramie, Chicago, Illinois. This check was in partial satisfaction of American Family Insurance claim 00561-153154;

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT THIRTEEN

The SPECIAL AUGUST 2003-1 GRAND JURY further charges:

1. The Grand Jury realleges and incorporates by reference paragraphs 1 through 33 of Count One of this indictment.

2. On or about June 14, 2000, in the Northern District of Illinois, Eastern Division,

WITOLD OSINSKI,
SERGUEI KOBETS, and
MICHAEL PAWLOWSKI

defendants herein, for the purpose of executing the aforesaid scheme and attempting to do so, knowingly caused to be placed in an authorized depository for mail matter, to be sent and delivered by the United States Postal Service, according to the directions thereon, a check in the amount of \$500 from Farmers Insurance and made payable to SERGUEI KOBETS, addressed to 716 Masters Lane, Riverwoods, Illinois, which check was marked "re: 20 days of K4 coverage." This check was in partial satisfaction of Farmers Insurance claim B8180989;

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT FOURTEEN

The SPECIAL AUGUST 2003-1 GRAND JURY further charges:

1. The Grand Jury realleges and incorporates by reference paragraphs 1 through 33 of Count One of this indictment.

2. On or about August 14, 2000, in the Northern District of Illinois, Eastern Division,

WITOLD OSINSKI, and
MICHAEL PAWLOWSKI

defendants herein, for the purpose of executing the aforesaid scheme and attempting to do so, knowingly caused to be placed in an authorized depository for mail matter, to be sent and delivered by the United States Postal Service, according to the directions thereon, a letter from Progressive Insurance to MICHAEL PAWLOWSKI, addressed to 3144 North Laramie 3F, Chicago, Illinois, which letter advised MICHAEL PAWLOWSKI that his 2000 Lincoln LS was rendered total loss as result of the July 19, 2000 accident. This letter concerned Progressive Insurance claim 005056998;

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT FIFTEEN

The SPECIAL AUGUST 2003-1 GRAND JURY further charges:

1. The Grand Jury realleges and incorporates by reference paragraphs 1 through 33 of Count One of this indictment.

2. On or about February 14, 2001, in the Northern District of Illinois, Eastern Division,

WITOLD OSINSKI,
WILLIAM KURZCODYNA,
MARGARET FLORCZYK, and
YEVGENIYA ZASLAVSKAYA

defendants herein, for the purpose of executing the aforesaid scheme and attempting to do so, knowingly caused to be placed in an authorized depository for mail matter, to be sent and delivered by the United States Postal Service, according to the directions thereon, a letter from American Family Insurance to YEVGENIYA ZASLAVSKAYA, addressed to 50 Old Oak Road, Buffalo Grove, Illinois, which letter advised YEVGENIYA ZASLAVSKAYA of the rules and procedures for getting her claim for car rental expenses paid. This letter concerned American Family Insurance claim 00561-165301.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT SIXTEEN

The SPECIAL AUGUST 2003-1 GRAND JURY further charges:

1. The Grand Jury realleges and incorporates by reference paragraphs 1 through 33 of Count One of this indictment.

2. On or about November 14, 2000, in the Northern District of Illinois, Eastern Division,

WITOLD OSINSKI,
WILLIAM KURZCODYNA,
JERZY MATYSIK, and
ZOFIA TURKIEWICZ

defendants herein, for the purpose of executing the aforesaid scheme and attempting to do so, knowingly caused to be placed in an authorized depository for mail matter, to be sent and delivered by the United States Postal Service, according to the directions thereon, a letter from American Family Insurance to JERZY MATYSIK, addressed to 816 E. Old Willow Rd, Prospect Heights, Illinois, 60070, which letter was a claim service notice. This letter concerned American Family Insurance claim 00581-114143.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT SEVENTEEN

The SPECIAL AUGUST 2003-1 GRAND JURY further charges:

1. The Grand Jury realleges and incorporates by reference paragraphs 1 through 33 of Count One of this indictment.

2. On or about February 15, 2000, in the Northern District of Illinois, Eastern Division,

WITOLD OSINSKI,
WILLIAM KURZCODYNA,
LUDWIK TRUCHALSKI, and
SERGUEI KOBETS

defendants herein, for the purpose of executing the aforesaid scheme and attempting to do so, knowingly caused to be placed in an authorized depository for mail matter, to be sent and delivered by the United States Postal Service, according to the directions thereon, a letter from American Family Insurance to LUDWIK TRUCHALSKI, addressed to 3515 N. Laramie Ave, Chicago, IL, 60641, which letter contained a check in the amount of \$7,465. This letter concerned American Family Insurance claim 00581-099204.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT EIGHTEEN

The SPECIAL AUGUST 2003-1 GRAND JURY further charges:

1. The Grand Jury realleges and incorporates by reference paragraphs 1 through 33 of Count One of this indictment.

2. On or about May 11, 2001, in the Northern District of Illinois, Eastern Division,

WITOLD OSINSKI,
KRZYZSTOF GORNIK, and
JERZY MATYSIK,

defendants herein, for the purpose of executing the aforesaid scheme and attempting to do so, knowingly caused to be placed in an authorized depository for mail matter, to be sent and delivered by the United States Postal Service, according to the directions thereon, a letter from Metropolitan Insurance to KRZYZSTOF GORNIK, addressed to 5029 N. Harlem Apt. 1, Chicago, IL 60656, which letter indicated that Metropolitan Insurance received defendant GORNIK's report of loss. This letter concerned Metropolitan Insurance claim RMA25721.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT NINETEEN

The SPECIAL AUGUST 2003-1 GRAND JURY further charges:

1. The Grand Jury realleges and incorporates by reference paragraphs 1 through 33 of Count One of this indictment.

2. On or about June 22, 2001, in the Northern District of Illinois, Eastern Division,

WITOLD OSINSKI, and
ZOFIA TURKIEWICZ

defendants herein, for the purpose of executing the aforesaid scheme and attempting to do so, knowingly caused to be placed in an authorized depository for mail matter, to be sent and delivered by the United States Postal Service, according to the directions thereon, a check from Allstate Insurance to First Star Bank, P.O. Box 2846, Oshkosh, Wisconsin, 54903. This check concerned Allstate Insurance claim 1015716382.

In violation of Title 18, United States Code, Sections 1341 and 2.

FORFEITURE ALLEGATION

The AUGUST 2003-1 GRAND JURY further charges:

1. Counts One through Thirteen of this indictment are realleged and incorporated here for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 982 (a) (2) (A).

2. As a result of committing one or more offenses that Counts One through Thirteen of this indictment allege, that is mail fraud, in violation of Title 18, United States Code, Sections 1341 and 2, defendant

WITOLD OSINSKI

shall forfeit to the United States pursuant to Title 18, United States Code, Section 982(a) (2) (A), any and all right, title, and interest they may have in any property, real and personal:

(a) that constitutes, or is derived from, or is traceable to, proceeds obtained, directly or indirectly, from the charged offenses;

(b) that is used to facilitate, or is intended to be used to facilitate the charged offenses, which property is subject to forfeiture pursuant to Title 18, United States Code, Section 982.

3. The interests of the defendants that are subject to forfeiture pursuant to Title 18, United States Code, Section 982, include but are not limited to:

(a) approximately \$1,016,486; and

(b) real property located at 5027 West Fullerton Avenue.

4. If any of the forfeitable property described above, as a result of any act or omission by the defendants:

a. Cannot be located upon the exercise of due diligence;

b. Has been transferred or sold to, or deposited with, a third person;

c. Has been placed beyond the jurisdiction of the Court;

d. Has been substantially diminished in value;
or

e. Has been commingled with other property which cannot be divided without difficulty,
it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of said defendant up to the value of the above forfeitable property;

All pursuant to Title 18, United States Code, Section 982(a)(2)(A).

SENTENCING ALLEGATIONS

The AUGUST 2003-1 GRAND JURY further alleges:

1. In and during the course of the commission of the conduct alleged in Counts One through Nineteen of the indictment, with which defendants are charged:

a. defendant WITOLD OSINSKI was a leader and organizer of a criminal activity that involved at least 5 criminal participants. USSG § 3B1.1(a);

b. defendant WILLIAM KURCZODYNA abused a position of public or private trust in a manner that significantly facilitated the commission or concealment of the charged offense and relevant conduct. USSG § 3B1.3;

c. as a result of defendants' conduct, the Insurance Companies suffered a loss of more than \$1,016,486.
2B1.1(b)(1)(I) and 1B1.3.

A TRUE BILL:

FORFEITURE


UNITED STATES ATTORNEY

No.

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

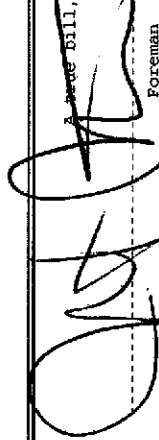
UNITED STATES OF AMERICA

vs.

WITOLD OSINSKI, WACLAW RYGIEL, KRYSTYNA DZIEWIT, MICHAEL PAWLOWSKI,
WILLIAM KURCZODYNA, ZOFIA TURKIEWICZ, MARGARET FLORCZYK, SLAWOMIR SZCZEPANIAK,
AGATA TOMAL MATYSIK, JERZY MATYSIK, ALEXANDER SIMONS, SERGUEI KOBETS,
MIROSLAW GORECKI, DRZYZSTOF GORNIK, ARKADIUSZ TRUCHALSKI, LUDWIK TRUCHALSKI,
MICHAL SKOPEK, YEVGENIYA ZASLAVSKAYA, and SLAWOMIR KALOTA

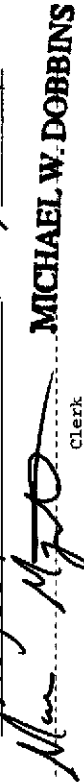
I N D I C T M E N T

in violation of: Title 18, United States Code,
Sections 1341 and 2


Foreman

Filed in open court this 31 day

of August A.D. 2004


Clerk

Bail, \$